

SPECIAL MEETING  
Capital Improvement Program Workshop  
CITY COUNCIL

March 16, 2015

Mel L. Cohen, Mayor

Sally W. Sandy, City Manager  
Louis E. Vinay, Jr., City Attorney

John H. Cantrell     )  
Forrest A. Fleming   ) Councilmen  
Sidney Simmons     )  
Ronnie Thompson    )

Others in attendance include all department directors and various staff members.

I. The meeting was called to order in the Council Chamber at City Hall at 8:00 a.m. by Mayor Cohen.

The City Manager stated the Council received schedules of the Capital Improvement Plan (CIP) requests from all departments. The requests are submitted, as in previous years, uncut and unfiltered so the Council gets a clear picture of needs for the City as a whole.

The City Manager stated the 2015/2016 requests will be studied and evaluated as budget season progresses. She stated that each department director will present briefly his/her requests. As always, the City garage staff will prepare an evaluation of the equipment/vehicle requests.

The requests for 2015/2016 total \$10,183,147. The total approved in 2014/2015 was \$7,144,961. Operational requests will be in soon. Revenue projections are in process. The only known revenue decrease in General Fund at this time is \$215,000 in privilege license tax.

The City Manager stated she anticipates that budget meetings will be set beginning in late April and finish up in early May. The proposed budget will be presented at the June 1, 2015 Council meeting.

Scott Hildebran, Assistant City Manager, stated there are several items they are tracking in the General Assembly. Privilege license expired in June which leaves a \$215,000 shortfall in our revenue. Sales tax revenue is growing nominally. Senators have floated idea of returning more sales tax revenue to counties on a per capita basis. Such a plan is likely to benefit more rural counties at expense of large urban and resort counties. Historic Preservation Tax Credit expired in December. Secretary Kluttz is scheduled for a visit on March 25, 2015 to raise awareness of how these credits benefit North Carolina communities. There is a possibility of participating in the State Health

Plan which could save on premium costs. There is also danger of losing gas tax revenue which impacts money for streets. Revenue from the Powell Bill allocation in the 2014-15 City Budget is \$491,783.

The City Manager elaborated on sales tax. She stated that about 76% of sales tax revenue is generated inside of the cities because that is where commerce usually locates. Currently cities receive back about 38% of that revenue. Cities provide the infrastructure and maintenance while the counties and unincorporated areas reap benefits from the sales tax revenue. With the proposed formula there will be about 20 counties in the state that would gain, they would get more money than they generate; 80 counties would have to pay that. The City Manager stated it could be a big deal depending on what happens.

Councilman Cantrell asked for examples. The City Manager stated resort counties would likely not receive back as much in sales tax revenue. She stated it was much like Federal gas tax where some states are winners and some are losers. North Carolina is a loser; it gives more money than it receives back.

Councilman Cantrell stated that a few months ago they looked at the sales tax revenue; where does it stand currently? The City Manager stated that they are seeing a positive gain, but there are still some very large refunds. The City Manager explained how that process works for governments and non-profits.

The City Manager stated that Sharon would be first with her requests so that she could get ready for the upcoming Main Street Conference. She shared there has been a record number of 537 registered attendees. She also provided agendas and a schedule of activities planned for the conference with each Council member.

*Following are the requests made by Sharon Jablonski:*

### **Main Street**

Downtown Landscaping - \$10,000

Downtown Islands - \$50,000 – 10 new islands down North Green Street

Downtown Sidewalks - \$30,000 – improvements are needed for crumbling walkways

Wayfinding - \$95,000

Façade Loans - \$10,000 – help to keep downtown looking nice.

### **Community House**

Building Renovations - \$500,000 – to cover multi-year pledges – Sally explained this is a place holder that will be adjusted once all pledges are known.

*Following are the requests made by Bill Wilson:*

Bill stated that some of these items have been asked for in the past. Mayor Cohen asked how many have been requested previously. Wilson stated the exit doors, parking lot and personnel lift have all been requested in the past.

## **CoMMA**

Replace Exterior Emergency Exit Doors - \$20,000 – doors have been in place for a long time. Rust issues, some don't fit well because of building settling. Would like to put in fiberglass doors like those put in at the pool.

Sculpture/Display - \$25,000 – ad hoc group working together toward a display to honor Etta Baker. This is precursor to larger project which is being considered. The larger project (sculpture) will be considered along with entrance improvements to CoMMA.

Power Chain Hoists Motor System (2) - \$12,000 – raises/lowers curtains

Follow Spotlights (2) - \$27,500

Parking Lot Repaving and Lining - \$150,000

Personnel Lift - \$18,500 – the current lift is 30 years old. A two-person lift would be the best choice for safety and efficiency.

Councilman Thompson stated there has been concern with the elderly and handicapped at CoMMA. Bill talked about the age of the audience, the need for more handicapped/courtesy spaces in the parking area. He is putting a rail in along the side walls to help make it easier for patrons to enter and exit. Bill stated the building was built before ADA. He stated there are some people who cannot make it in the doors because of physical size. There have been some change out of seats to help with this.

*Following are the requests made by Lee Anderson:*

## **Development & Design**

Replace 02 Chevy S10 #620 (Zoning) - \$23,000 – this truck has seats that no longer adjust, door does not work properly. The garage stated it would cost more to fix than it's worth. The City Manager stated the Council would receive an evaluation on all vehicles.

Exit 105 Enhancements - \$148,482 – This is for the stone and sidewalks. Councilman Simmons asked when this project would be complete. Lee stated they project is scheduled to finish in May. This is per the City's agreement with NCDOT.

Councilman Thompson questioned the progress of the Overmountain Victory Trail National Headquarters. Lee stated there has been some progress; he met with John Slaughter from the Park Service recently. He stated they have become a little more flexible in looking at how that project might move forward. He mentioned the Park Service and the Joara Foundation might consider a joint facility. Both groups are open to the concept.

*Following are the requests made by Ronnie Rector:*

## **Public Safety**

Resurface Asphalt Portion of Station 3 - \$16,000 – Stations 1 and 3 need asphalt work

Resurface HQ Impound Lot - \$15,000

Resurface Front HQ Entrance - \$5,000

Resurface Parking Lot HQ - \$31,550

Re-key HQ Building - \$8,500 - High security door system is so old some keys no longer work properly. Some key blanks are no longer available.

Replace Station #1 Generator - \$31,000

Replace Exterior Sign at HQ - \$6,500

Install Fencing in Rear Parking Lot at HQ - \$35,000 – transient foot traffic passes through the area. Would like to have area more secure.

Replace Fire Apparatus #702 & #706 - \$700,000

Replace (8) Patrol Cars - \$360,000 – Rector stated the garage would say they need 15. They did not purchase cars for several cycles. The fleet is aging; as mileage goes up so does the cost of repair.

Replace CID Vehicles #773 & #759 - \$60,000

Replace Self-Contained Breathing Apparatus - \$384,000 – NFPA standards state these need to be replaced every 15 years (2019). Public Safety is working toward a FEMA grant that is 95% government funded and 5% City funded.

Taser Replacement - \$15,000 – these are replaced on a rotational basis.

Replace Firefighter Turn-Out Gear - \$25,000 – 10 sets are replaced yearly.

Purchase Body-Worn Cameras - \$100,000 – Body cameras are coming according to the Chief. They have a committee looking at body cameras. Technology is evolving rapidly; they need to find the correct camera for our agency. The Chief and City Manager commented on the expense associated with storage for these systems.

Councilman Fleming asked if they had figures on how much of the data actually needs to be stored. The City Manager stated that it ALL had to be stored for public record. She also indicated that retention requirement for electronic images has not been updated to account for technology advances.

Councilman Fleming then asked about the tanker and how it affected the fire districts and ratings. The chief stated if they did not have that tanker they could not cover the Hopewell / Carbon City areas.

Virtualization Mgmt. for Disaster Recovery - \$25,000 – They are working toward a grant for Virtualization Management for Disaster Recovery which provides for redundancy in the records management. They are currently not compliant. Have requested a grant from the Governor's Crime Commission.

Internal Affairs Module - \$13,500 – Internal Affairs module helps track officers and may point to those that have disciplinary issues over time. They are also pursuing a grant for this.

Replacement of Fire Hose - \$20,000 – NFPA states anything pre-1987 needs to be replaced. That is 50% of our 1 3/4" and 2" hoses. Last year they applied for a grant but were not successful in the final award.

*Following are the requests made by Scott Lookadoo:*

Scott Lookadoo stated he feels proud to be part of team that works so hard to keep everything working well with the equipment they have.

Scott explained his equipment replacement and budgeting philosophy. He stated that from the time they talk about equipment, order it and its arrival could be 18 months to 2 years. He has some items that are in the budget that “may” need to be replaced, but he may not replace unless the item totally fails. If he can continue to get use out of the equipment he will continue to use the item and move it to the next budget year.

**Public Works / Sanitation**

Replace Kubota Refuse Haulers (2) - \$70,000

**Public Works / Cemetery and Grounds**

Replace 08 Tractor/Mower #609 (Grounds) - \$14,500

Replace 00 1 ½ T Int. Dump Truck #134 - \$60,000

Replace 05 Chevy 1500 Pickup 4x2 #118 - \$22,000

**Public Works / Municipal Buildings**

Maintenance/Repair Buildings - \$25,000

Community House Roof - \$35,000

**Public Works / Street**

Replace 88 White #181 w/98 Leaf Vac #184 - \$155,000

**Powell Bill**

Replace 96 Mack Tandem Dump Truck #195 - \$130,000

Councilman Fleming asked how much was in the demolition/nuisance budget. The City Manager stated she thought it was \$30,000. She stated they just finished Fletcher Street and are working on quotes for what would be next. There is some money left for other projects in this budget year.

*Following are the requests made by Gary Leonhardt:*

**Recreation**

Park Improvement - \$40,000 – 14 parks in the system, used for larger projects like electrical improvements or equipment.

Playground (Catawba Meadows Park) - \$75,000 – The Service League has helped upgrade playground equipment. They are interested in putting in a piece of equipment near the ball fields. They have \$75,000 to offer and have asked the City for a match. Gary says they may be able to get help from the Foundation.

Catawba River soccer complex Phase III - \$795,000 – new soccer fields at the soccer complex, applied to PARTF for a grant.

Renovation to Mountain View Center - \$130,000 – The Mountain View center was built in 1954. The building is in good shape but the kitchen is using the original equipment, flooring, doors, and windows to update it. The City Manager asked about the drainage issue. Scott Lookadoo stated part of the issue is the water that comes off the building and some of that water goes into the front door.

Morganton Recreation Foundation - \$10,000 – payback to the Foundation  
Replace 01 Chevy 15 passenger van #844 - \$40,000 – all departments use this vehicle.  
Needs to look good when out representing the City.

*Following are the requests made by Greg Branch:*

Greg Branch stated that many items need replacement due to age and obsolete technology.

### **IRMS**

City-Wide Connectivity - \$20,000

Server - \$13,000

Studio Upgrades Phase 2 - \$40,000 – Greg would like to push that money out as far as they can this year in order to group it with next year's budget money so they can bulk order and get their money's worth. They are working on a new audio/visual design for the Council Chamber.

Data Center Cooling Unit - \$25,000

City Hall Firewall - \$16,000

NorthStar in-house - \$200,000 – Councilman Cantrell asked Greg to explain this system. Greg stated that everything that came through the billing office goes through this system. The City Manager gave the history of why we chose this system. Greg stated this system marries the cable, utility billing, and tax payments together for better customer service. Karen stated this is the heartbeat of the business office. It is also connected to online payments and outsourced billing. Karen then explained what happens when the business office personnel take money and how the system is not living up to the needs of the City and customer. Karen and Greg also expressed that other solutions are still being explored.

*Following are the requests made by Bill Harkins:*

### **Cable**

DSR Satellite Receivers - \$86,370 – more satellite receivers needed in order to offer more channels.

System Improvements/Expansion - \$100,000

28' x 60' Shed to Cover Trucks/Equipment - \$20,000

Satellite Dishes (2) - \$20,000

Path Track System Upgrade - \$50,000 – helps to find problems in the system

Miscellaneous Equipment/Current Projects - \$90,671 – Equipment needed to go all digital

IntelliStar2 HD Weather Channel - \$6,000 – device needed for high definition local weather

CLI Leakage Detection System - \$13,000 – antiquated, helps to identify leaks

*Following are the requests made by Brooks Kirby:*

Brooks Kirby stated they received another RP3 award. He stated his department was working on keeping costs down by partnering with Water Resources on some equipment purchases.

### **Electric**

Replace 00 Dodge Intrepid #400 - \$24,500 – would replace the vehicle Brooks drives.

Replace 77 Mobile Wire Reel Trailer #495 - \$86,000

Replace 06 Chevy #475 - \$28,500 – used for relocates

Replace Substation SCADA RTU (Del 5) - \$15,500

Replace Delivery 1 Station Ground Grid - \$45,000

Upgrade Substation Mechanical Breakers (D3) - \$31,000

Upgrade Substation Regulators (Del 5) - \$48,500

Seasonal Equipment - \$5,000 – Christmas decorations, hard to find incandescent lights

System Improvements - \$100,000 – really should be named system maintenance

Pole Inspection - \$50,000 – every 10 years are required to inspect poles for internal rot and exterior base rot.

Garage Door Upgrade - \$21,200

*Following are the requests made by Brad Boris:*

Brad Boris stated he felt the theme this morning is about aging and failing infrastructure. Most of his items are items that are needed every year just to keep things flowing.

### **Water**

Line Replacement - \$40,000

Enola Road Widening - \$51,648 – this is the utility relocates for Enola Road

Main Replacement Program - \$350,000

Line Extensions - \$40,000

Replace 06 Ford F350 #360 - \$50,000 – water maintenance truck with 91,000 miles

Large Pump and Motor Maintenance - \$30,000

Motor Control Center Maintenance - \$30,000

Replace Finish Water Pump #1 - \$100,000

Chemical Feed System Modernization - \$50,000

Glen Alpine PS Electrical Upgrade - \$100,000

Water Tank Maintenance - \$224,000

Pump Station Maintenance - \$60,000

Sludge Pump Replacement - \$ 20,000

Hydraulic Study for River Club/Glen Alpine - \$ 50,000 – The area has water pressure and volume issues. The City Manager stated they have had a couple of meetings with Glen Alpine, this is one area where they feel they have a chance of growth which means more customers for Morganton. Glen Alpine has hired WT Sorrell as a consultant as their first step on how they might go about growth.

Hydraulic Study for Bost Road/Lost Corners - \$ 50,000

### **Wastewater**

Line Replacement - \$40,000

Enola Road Widening - \$34,526  
Manhole Rehabilitation Program - \$200,000  
Line Extensions - \$30,000  
Sewer Line Rehab Program - \$350,000 – by reducing infiltration there can be a savings when replacing and rehabbing infrastructure  
Replace 92 Front Loader #358 - \$225,000 – 200,000 hours of work, this vital piece of equipment is moving and running every day. Lot of structural problems.  
Replace Combo Vac/Pump Truck #336 - \$400,000  
Primary Clarifier Replacement - \$450,000 – cookie cutter project  
RAS Pumps 1 & 2 Replacement - \$150,000 – see below  
WAS Pumps 1 & 2 Replacement - \$150,000 – these two items have been rebuilt twice, they need to be replaced.  
Fine Bubble Diffusion & Sodium Hypochlorite - \$650,000 – currently feeding liquid oxygen. Outdated technology.  
Biosolids Investigation/Mitigation - \$150,000

Councilman Cantrell asked if this would have an effect on the sewer rates. The City Manager stated it would. Brad stated looking at the statewide rates of towns our size, those with a population between 20,000 and 30,000, we have the lowest water rate and fifth lowest sewer rate statewide. Morganton maintains over 300 miles of water and 250 of sewer and 9 distribution pumps.

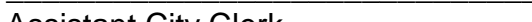
**Total requests**

FY 14/15 General Fund capital requested - \$4,952,732  
FY 14/15 All funds requested - \$10,183,147

The City Manager stated the operational budgets are due in next week. She will set some times in mid-late April to get the Council back together to go over those items.

II. Adjournment – The meeting was adjourned at 11:00 a.m.

Preparation of Minutes. These minutes were prepared by Mikela D. Russell, Assistant City Clerk. Copies of all resolutions, ordinances and orders referenced in these minutes are intended to be incorporated into these minutes as if fully set forth herein. Prior to including them into the official minute book, the minutes have been read and approved by the City Manager and the City Attorney, then distributed to each member of the City Council for further review and final approval, at a subsequent Council Meeting.

  
\_\_\_\_\_  
Mayor  
\_\_\_\_\_  
Assistant City Clerk